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DPD-2509-59

16 April 1959

MEMORANDUM FOR: Deputy Director (Plans)

THROUGH : Acting Chief, DPD

SUBJECT : Price Redetermination  
Contract No. BC-200  
Hyeon Mfg. Company

1. This memorandum contains a recommendation submitted for approval of the Deputy Director (Plans). Such recommendation is contained in Paragraph 5.

2. A meeting was held at Hyeon Mfg. Company on 3 March 1959 for the purpose of negotiating a final fixed price for performance of Contract No. BC-200. Contract No. BC-200 covered additional Project requirements for the "B" Configuration and related equipment. The Contract also included requirements of the [REDACTED] for the "B" and "A-2" Configurations and related equipment. The Perkin-Elmer Corp., Norwalk, Conn., a subcontractor, was required to furnish the necessary Lenses and Filters.

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3. The parties could not agree upon a final price due to the Contractor's request for profit at the rate of [REDACTED]. The Contractor indicated his desire to meet with you on the matter. However, he requested that we submit our oral offer in writing. We agreed to submit a letter but advised the Contractor that if he met with you that our offer was not binding. The Contractor feels he is entitled to [REDACTED] profit for the following reasons:

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- a. The Company as well as [REDACTED] personally suffered due to [REDACTED] spending approximately 75% of his time on the Project work.
- b. The Company has not realized repeated orders for equipment developed and produced as originally contemplated.
- c. Personnel problems have been created by moving individuals to the Project and now attempting to integrate them back into normal functions of the Company.

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4. In order to acquaint you with this pending settlement, detailed information is submitted in the attached Exhibit A.

DOCUMENT NO. \_\_\_\_\_  
NO CHANGE IN CLASS. ☒  
☐ DECLASSIFIED  
CLASS. CHANGED TO: TS S O 2012  
NEXT REVIEW DATE: \_\_\_\_\_  
DATE: 25/1/82 REVIEWER: 064540

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5. Approval of settlement offer against BC-200 and signing of the attached letter (DPD-2510-59) to Hyeon is recommended.

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Contracting Officer, DPD

Attachment:  
Exhibit A

CONCURRENCE:

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Acting Chief, DPD-DD/P

Approval requested in  
Paragraph 5, granted.

RICHARD M. BISSELL, JR.  
Deputy Director (Plans)

Distributions:

Orig - BC-200 Price Red.  
Fldr.

- 2 - Mr. Bissell
- 3 - Finance, DPD
- 4 - AF Liaison Officer
- 5 - Chrono, RI

DPD-DD/P:  :lmw (16-4-59)

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